



## Global and Local Reach: Gauging the Impact of Immigration



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**Lena Robinson:** Welcome to the Federal Reserve's Economic Development podcast series. I'm Lena Robinson with the Federal Reserve Bank of San Francisco.

According to U.S. Census data, the country's immigrant population has grown steadily since the 1980s. As of 2011, foreign-born residents comprised 13 percent of the total U.S. population. As many communities prioritize human capital development as a critical component of economic development efforts, they are also reconsidering how immigrant populations can bolster these strategies. A recent report published by the International Economic Development Council (or IEDC) entitled "The Economic Development Impacts of Immigration" explores the large body of research on immigration and economic development. The report also highlights considerations for economic development professionals that are based on successful programs from around the country.

Today we're speaking to Denny Coleman of the St. Louis Economic Development Partnership and Michael Iacovazzi-Pau of Greater Louisville Inc. Denny served as cochair for the task force that led the development of the IEDC report. Michael manages the Greater Louisville International Professionals program at the Louisville Chamber, which connects international professionals and the region's business community. Welcome, Denny and Michael.

**Denny Coleman:** Thank you.



Photo of Denny Coleman **Michael Iacovazzi-Pau:** Thank you for having me.  
Denny Coleman



Michael Iacovazzi-Pau

**Robinson:** Denny, let me first ask you to provide some context about the IEDC immigration report. Can you summarize for us the rationale for and the key findings of the report?

**Coleman:** We at IEDC and the Economic Development Research Partners (or EDRP) launched into a comprehensive study of all of the factors that we've felt were relevant to the economic development impacts of immigration and tried to find as much objective studies as possible from around the country to include in our report. And the rationale for that being that our 4,500 members at IEDC would need to be armed with good factual data as the debate over immigration reform went through both houses of Congress.

The report itself deals with everything from the immigrants' overall contribution to economic expansion&mdash;issues such as their impact in the STEM industries [science, technology, engineering, and mathematics] and the impact on immigrant-owned businesses. We found, for example, that immigrants are 60 percent more likely to become entrepreneurs than native-born Americans in the first and second generations. We looked at settlement patterns in different parts of the country. How even undocumented immigrants support local economies, and also the issues surrounding proportionality of public benefits that are used by immigrants.

**Robinson:** The report talks about some existing best practice programs designed to capture the economic development benefits associated with current and future immigrant populations. Before Michael describes one such program in Louisville, Denny, could you describe what you see as some general lessons from those examples for local economic development professionals?

**Coleman:** I think there's importance for local economic development organizations to tailor strategies to immigrant populations' economic needs on a community-by-community basis, because they will differ. I think it's important, as the report shows, to break down barriers to tapping into immigrant potential. There are regulatory, legal, language, cultural barriers that programs at the local level can help knock down.

I think creating an environment where immigrants can flourish in the community, and that means providing access to a broader-based business community, to the political and business networks in a local economy, are important to provide avenues for growth and opportunity for immigrant populations. And I think we have to understand, too, that there's just a need for population growth. It's hard to grow an economy without adequate numbers of people. And native-born Americans are not having children at the rate that they were, and therefore, the immigrant population is important to provide that growth. It's important for communities to create an environment, not of scarcity, but of abundance, where net new people into a community are good overall for growth. And finally, engaging immigrants to create links to the global economy is important for purposes of foreign direct investment and international trade relations.

**Robinson:** Michael, how does the Greater Louisville International Professionals or GLIP program engage immigrants in your community? For example, what are the various components of your model, and how would a locale looking to start a similar program begin?

**Iacovazzi-Pau:** Greater Louisville International Professionals is what I would call a micro-chamber of commerce that specifically serves an important constituency of our demographics: the immigrant professionals. However, we do belong as an initiative of the Greater Louisville Inc., the region's economic development leadership organization, which focuses on job creation and business growth.

GLIP was founded in 2009 after a workforce report revealed that our region would be experiencing shortages of talent for 21st-century jobs. And so attracting immigrant professionals made a very big priority for our civic leaders' community, and this is how GLIP's mission to attract and retain talented internationals became live.

We did a study to better understand what exactly was going to be necessary to attract and retain international entrepreneurs and professionals to our city, and it really came down to three things: welcoming, engaging, and connecting. And those three things have really been the driving force for our programs. All of our programs are geared toward giving opportunities for international professionals to grow, to be recognized, and to contribute back to the community. Today we actually have 1,700 members from over 100 different countries who have made Louisville, and the region around them, their home.

Many things that we do also focus on trying to simply connect the professionals of the international community with the local business community. We host different events that have a strong focus and purpose on connecting people with each other in the international community, but also with other businesses and companies that might have an interest in the global economy or in diversity inclusion. We actually have found that a lot of the companies who are looking now to expand through trade and exports and imports are needing some support and some education around global competencies and cultures before they enter into new markets.

And you also asked a very important question: "How would another city in another region, another metropolitan [area], be able to start a program like this one?" I think it comes down to a couple of key factors.

There really needs to be a commitment from civic business leaders. There needs to be a couple of corporations that really understand that this program has an impact in the community and has an impact on themselves as they're continually trying to grow and recruit workforces from international backgrounds. The city has to be welcoming and embracing of diversity, of cultures, of ethnicities, and already have in place resources to help newcomers.

I mentioned before that sustainable funding is very important as well, which means that at the beginning of a program to be launched there needs to be some financial commitment as well, from the city, from the chamber, and from a few corporations as well.

Finally, I think that these kinds of programs do not function without the partnership and support from other entities in the community. Therefore, it's very important to have a collaborative environment in a not-for-profit sector and the business sector as well.

**Robinson:** *How does the GLIP program track success, Michael? In other words, what are the metrics you use to gauge impact, and what have been your results?*

**Iacovazzi-Pau:** The nature of the program is very qualitative and very intangible, which does mean that we believe in its mission; we believe it has a function and a vitality and element to the community. But in terms of measuring the success, we sometimes have to fall back on the typical membership metrics. So, for example, in the past four years we have tracked really carefully the membership growth. We have tracked the retention of the membership. We have tracked as well the attending rates of people coming back to our events.

Of course, we do the typical surveys—monthly and annually—where we do assess the satisfaction of the members, but also take this as an opportunity to better calibrate the programs of the future needs of the community. What really is important to us is to also identify how many of your location successes we have had with recruiters. So when we work with a company to bring somebody from abroad, or from a different city to Louisville, we track and we follow up to see if the person has made the move to come and live here.

And finally, we are hearing a lot of different success stories from all different angles about the value of an organization like GLIP.

**Robinson:** *How has the GLIP program created economic development benefits in your community, and in what ways has it catalyzed other economic development initiatives in Louisville?*

**Iacovazzi-Pau:** It's about the metrics. What we really track is how have we impacted the relocation process of senior-level and executive-level positions. That's critical because we know that whenever we are helping a company find a strong leader for their organization, we are also helping this organization become stronger and, therefore, grow and, therefore, create jobs.

We've also found that we've been very, very influential as well in raising the awareness about global diversity in the community. And so by having an organization that actually has membership growth—talent sourcing—we are able to also provide education and awareness that this is a very critical component of growth for your business.

I would also say that we have a very strong talent base through our members with very specific skills and entrepreneurial backgrounds. Now that we actually have an organization with such a strong talent source and talent base of all these cultures, we're now doing better at trying to help companies to see the potential and to enter into new markets.

We run into a lot of different companies that are looking to relocate their business to our region, and many of them asked a question about workforce, quality of life, the community, and the diversity of the community as well. They want to be assured that there is a community that will be viable for their growth into international markets, that there also will be a presence there to welcome any of their teams who will actually have to move into the city and feel comfortable living in a place that values quality of life and diversity in international pockets of immigration.

And, you asked for an example of how does it propel economic development. There is a strong spinoff from GLIP that happened two years ago called the Amazing Global Marketplace. It's an educational program that is now living through GLIP's organization that focuses on engaging global companies locally with the future workforce of our economy, which are the high school students and the college students as well.

**Robinson:** *Denny, as other locales consider integrating immigrant populations into their economic development strategy, what are the potential obstacles and long-term benefits they should consider?*

**Coleman:** The needs of the immigrant population are as diverse as the immigrants themselves. Bringing everyone to the table to work in a coordinated strategy for a region could be seen as an obstacle, and can be in many communities, but it's also a real opportunity. Bringing the various sectors of the community together is a real key to the success of any program.

The St. Louis Mosaic Project, which is the program to promote regional prosperity through immigration here in St. Louis, is a good example of that. It has had the mayor and the county executive who have appointed a 20-member task force to lead the effort. And the membership on that task force is instructive, I believe, because it has members from the business community, particularly the human resources members of the business community, educational institutions, social service organizations, economic development leaders. So the broad cross-section of true leadership in the community is all represented on this task force.

But even beyond the task force they have put word out to the broader community that they want ambassadors for the project, and over 200 people have signed up to become ambassadors to not only promote the project, but to promote the various aspects of what we're trying to achieve overall, which is to become the fastest-growing U.S. metropolitan area for immigration by 2020.

&nbsp;And that includes all elements, such as engaging business leaders to hire international talent, engaging local and federal government leaders to reduce barriers for foreign workers and their families, attracting and supporting international students for earlier and deeper integration into the community, and to connect services to give immigrants access to the information and services that they need, and, to some extent, help dispel myths about immigration and reinforce a community culture of inclusion and welcoming. So integrating all the aspects from the community into a concerted effort is extremely important.

**Robinson:** *Denny and Michael, I want to thank you for speaking with us today.*

*This concludes our podcast. We've been speaking to Denny Coleman with the St. Louis Economic Development Partnership and Michael Iacovazzi-Pau of Greater Louisville Inc.*

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